

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

THE BROWN SCHOOLS, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 7

Case No. 05-10841 (MFW)

GEORGE L. MILLER, Chapter 7 Trustee  
of The Brown Schools, Inc.

Plaintiff,

v.

McCOWN DE LEEUW & CO., INC.,  
KIDS ACQUISITION, LLC,  
McCOWN DE LEEUW & CO. III, L.P.,  
MDC MANAGEMENT COMPANY, III, L.P.,  
MDC MANAGEMENT COMPANY, IIIA, L.P.,  
McCOWN DE LEEUW & CO. III (EUROPE), L.P.,  
McCOWN DE LEEUW & CO. III (ASIA), L.P.,  
GAMMA FUND LLC,  
McCOWN DE LEEUW & CO. IV, L.P.,  
McCOWN DE LEEUW & CO. IV ASSOCIATES,  
L.P.,  
DELTA FUND LLC,  
MDC MANAGEMENT COMPANY IV, LLC,  
McCOWN DE LEEUW & CO., LLC,  
GEORGE McCOWN,  
ROBERT HELLMAN,  
ROBERT J. NAPLES, and  
WINSTEAD SECHREST & MINICK, P.C.,

Defendants.

Adversary No. 06-50861

C.A. No. 08-00096 (SLR)

**STIPULATION TO DEFER  
DECISION ON DEFENDANTS'  
JOINT MOTION FOR LEAVE  
TO APPEAL**

<sup>1</sup> The Brown Schools, Inc. ("TBSI"), The Brown Schools Management Corporation, The Brown Schools Education Corporation, CEDU Education, Inc. f/k/a CEDU Family of Services, Inc., CEDU School, Inc., North American Boarding Schools, Inc., Rocky Mountain Academy, Inc., Northwest Academy, Inc., The Brown Schools of Florida, Inc., The Brown Schools of Puerto Rico, Inc., CEDU Holdings, Inc., CEDU Business Corporation, Austin TBS, Inc., The Brown Schools Business Corp., Healthcare Living Centers, Inc., Healthcare Rehabilitation Center of Austin, Inc, The Brown Schools Behavioral Health System, Inc., Travis TBS, Inc., The Brown School of San Juan, Inc., Healthcare AHGI, Inc., Elmwood Management Company, Inc., Glenwood Management Company, Inc., TBS Holdings, Inc., and TBS Administrative Corp. (collectively, the "Debtors" or "TBS").

**STIPULATION TO DEFER DECISION ON DEFENDANTS' JOINT MOTION FOR  
LEAVE TO APPEAL**

George L. Miller, Chapter 7 Trustee for the Debtors (the "Plaintiff"), and defendants McCown De Leeuw & Co. III (Asia), L.P., McCown De Leeuw & Co. IV, L.P., McCown De Leeuw & Co., Inc., Kids Acquisition, LLC, McCown De Leeuw & Co. III, L.P., MDC Management Company III, L.P., MDC Management Company IIIA, L.P., McCown De Leeuw & Co. III (Europe), LP, McCown De Leeuw & Co. IV Associates, LP, Gamma Fund LLC, Delta Fund LLC, MDC Management Company IV, LLC, McCown De Leeuw & Co., LLC, George McCown, Robert Hellman, Robert J. Naples, and Winstead P.C., f/k/a Winstead Sechrest & Minick, P.C. ("Winstead") (collectively, the "Defendants") hereby stipulate and agree as follows:

1. On May 19, 2008, the Defendants filed a Joint Motion for Leave to Appeal (the "Joint Motion for Leave") (Docket No. 1). The Trustee filed an answering brief to the Joint Motion for Leave (Docket No. 2), and the Defendants filed a reply brief (Docket No. 4).

2. The parties have scheduled a mediation of this dispute for August 5, 2008, which, if successful, would render the Joint Motion for Leave moot. The Plaintiff and the Defendants therefore jointly request that the Court defer its decision on the Joint Motion for Leave until after either the Defendants or the Plaintiff have provided written notice to the Court that mediation has been unsuccessful.

3. In addition, Winstead has filed the following motions (the "Winstead Motions") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"): (i) Motion to Withdraw the Reference [Filed 6/2/2008; Docket No. 119]; and (ii) Motion for Determination of Core and Non-Core Proceeding Pursuant to Local Rule 5011-1 [Filed 6/2/2008; Docket No. 121]. Winstead and the Plaintiff are filing a separate Stipulation in the Bankruptcy

Court, pursuant to which they have stipulated and agreed that the date by which the Plaintiff must file answering briefs in response to the Winstead Motions shall be extended until 30 days after either party provides written notice that mediation has been unsuccessful, and the date by which Winstead must file reply briefs relating to the Winstead Motions is extended until 20 days after the Plaintiff files his answering briefs to the Winstead Motions. A copy of that Stipulation is attached hereto as Exhibit "A".

Dated: June 16, 2008

COZEN O'CONNOR

/s/ John T. Carroll, III

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MDC Management Company III, L.P.,  
MDC Management Company IIIA, L.P.,  
McCown De Leeuw & Co III (Europe),  
LP, McCown De Leeuw & Co. IV  
Associates, LP, Gamma Fund LLC,  
Delta Fund LLC, MDC Management  
Company IV, LLC, McCown De Leeuw  
& Co., LLC, George McCown, and  
Robert Hellman*

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/s/ Michael D. Debaecke

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**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

THE BROWN SCHOOLS, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 7

Case No. 05-10841 (MFW)

GEORGE L. MILLER, Chapter 7 Trustee  
of The Brown Schools, Inc.

Plaintiff,

v.

Adversary No. 06-50861

C.A. No. 08-00096 (SLR)

McCOWN DE LEEUW & CO., INC.,  
KIDS ACQUISITION, LLC,  
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McCOWN DE LEEUW & CO. IV ASSOCIATES, L.P.,  
DELTA FUND LLC,  
MDC MANAGEMENT COMPANY IV, LLC,  
MCCOWN DE LEEUW & CO., LLC,  
GEORGE McCOWN,  
ROBERT HELLMAN,  
ROBERT J. NAPLES, and  
WINSTEAD SECHREST & MINICK, P.C.,

Defendants.

**ORDER APPROVING  
STIPULATION TO DEFER  
DECISION ON  
DEFENDANTS' JOINT  
MOTION FOR LEAVE TO  
APPEAL**

<sup>1</sup> The Brown Schools, Inc. ("TBSI"), The Brown Schools Management Corporation, The Brown Schools Education Corporation, CEDU Education, Inc. f/k/a CEDU Family of Services, Inc., CEDU School, Inc., North American Boarding Schools, Inc., Rocky Mountain Academy, Inc., Northwest Academy, Inc., The Brown Schools of Florida, Inc., The Brown Schools of Puerto Rico, Inc., CEDU Holdings, Inc., CEDU Business Corporation, Austin TBS, Inc., The Brown Schools Business Corp., Healthcare Living Centers, Inc., Healthcare Rehabilitation Center of Austin, Inc, The Brown Schools Behavioral Health System, Inc., Travis TBS, Inc., The Brown School of San Juan, Inc., Healthcare AHGI, Inc., Elmwood Management Company, Inc., Glenwood Management Company, Inc., TBS Holdings, Inc., and TBS Administrative Corp. (collectively, the "Debtors" or "TBS").

**ORDER APPROVING STIPULATION TO DEFER DECISION ON DEFENDANTS'  
JOINT MOTION FOR LEAVE TO APPEAL**

AND NOW this \_\_\_\_\_ day of \_\_\_\_\_ 2008, upon consideration of the Stipulation to Defer Decision on Defendants' Joint Motion for Leave to Appeal (the "Stipulation") between the Plaintiff<sup>2</sup> and the Defendants in the above-captioned proceeding and the Court having determined that no further notice of the Stipulation must be given;

**IT IS ORDERED**, that the Stipulation is hereby APPROVED.

**IT IS FURTHER ORDERED**, that the Court will defer its decision on the Joint Motion for Leave until after either the Defendants or the Plaintiff have provided written notice to the Court that mediation has been unsuccessful.

BY THE COURT

\_\_\_\_\_  
Honorable Sue L. Robinson  
U.S. District Court Judge

<sup>2</sup> Capitalized terms shall have the same meanings ascribed to them in the Stipulation.

# EXHIBIT “A”



**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

THE BROWN SCHOOLS, INC., *et al.*,<sup>1</sup>

Debtors.

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DELTA FUND LLC,  
MDC MANAGEMENT COMPANY IV, LLC,  
MCCOWN DE LEEUW & CO., LLC,  
GEORGE McCOWN,  
ROBERT HELLMAN,  
ROBERT J. NAPLES, and  
WINSTEAD SECHREST & MINICK, P.C.,

Defendants.

Adversary No. 06-50861

Related Doc. Nos. 119, 121

**STIPULATION TO EXTEND  
TIME FOR FILING BRIEFS  
REGARDING (I) MOTION  
TO WITHDRAW THE  
REFERENCE AND (II)  
MOTION FOR  
DETERMINATION OF  
CORE AND NON-CORE  
PROCEEDING**

<sup>1</sup> The Brown Schools, Inc. ("TBSI"), The Brown Schools Management Corporation, The Brown Schools Education Corporation, CEDU Education, Inc. f/k/a CEDU Family of Services, Inc., CEDU School, Inc., North American Boarding Schools, Inc., Rocky Mountain Academy, Inc., Northwest Academy, Inc., The Brown Schools of Florida, Inc., The Brown Schools of Puerto Rico, Inc., CEDU Holdings, Inc., CEDU Business Corporation, Austin TBS, Inc., The Brown Schools Business Corp., Healthcare Living Centers, Inc., Healthcare Rehabilitation Center of Austin, Inc, The Brown Schools Behavioral Health System, Inc., Travis TBS, Inc., The Brown School of San Juan, Inc., Healthcare AHGI, Inc., Elmwood Management Company, Inc., Glenwood Management Company, Inc., TBS Holdings, Inc., and TBS Administrative Corp. (collectively, the "Debtors" or "TBS").

**STIPULATION TO EXTEND TIME FOR FILING BRIEFS  
REGARDING (I) MOTION TO WITHDRAW THE REFERENCE AND (II) MOTION  
FOR DETERMINATION OF CORE AND NON-CORE PROCEEDING**

George L. Miller, Chapter 7 Trustee for the Debtors (the "Plaintiff"), and defendant Winstead P.C., f/k/a Winstead Sechrest & Minick, P.C. ("Winstead") hereby stipulate and agree as follows:

1. Winstead has filed the following motions (the "Winstead Motions"):
  - a) Motion to Withdraw the Reference  
[Filed 6/2/2008; Docket No. 119]
  - b) Motion for Determination of Core and Non-Core Proceeding Pursuant to  
Local Rule 5011-1  
[Filed 6/2/2008; Docket No. 121]
2. The parties have scheduled a mediation of this dispute for August 5, 2008. Winstead and the Plaintiff agree and stipulate that the date by which the Plaintiff must file answering briefs in response to the Winstead Motions shall be extended until 30 days after either party provides written notice that mediation has been unsuccessful.
3. The date by which Winstead must file reply briefs relating to the Winstead Motions is extended until 20 days after the Plaintiff files his answering briefs to the Winstead Motions.

Dated: June 16, 2008

COZEN O'CONNOR

/s/ John T. Carroll, III

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**IN THE UNITED STATES BANKRUPTCY COURT  
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Defendants.

Adversary No. 06-50861

Related Doc. Nos. 119, 121

**ORDER APPROVING  
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TIME FOR FILING BRIEFS  
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**ORDER APPROVING STIPULATION TO EXTEND TIME FOR FILING BRIEFS  
REGARDING (I) MOTION TO WITHDRAW THE REFERENCE AND (II) MOTION  
FOR DETERMINATION OF CORE AND NON-CORE PROCEEDING**

AND NOW this \_\_\_\_\_ day of \_\_\_\_\_ 2008, upon consideration of the Stipulation to Extend Time for Filing Briefs Regarding (I) Motion to Withdraw the Reference; and (II) Motion for Determination of Core and Non-Core Proceeding (the “Stipulation”) between the Plaintiff<sup>2</sup> and Winstead in the above-captioned adversary proceeding to extend the time for the Plaintiff to file answering briefs to the Winstead Motions and for Winstead to file reply briefs thereto, and the Court having determined that no further notice of the Stipulation must be given;

**IT IS ORDERED**, that the Stipulation is hereby APPROVED.

**IT IS FURTHER ORDERED**, that:

1. The date by which the Plaintiff must file answering briefs in response to the Winstead Motions shall be extended until 30 days after either party provides written notice that mediation has been unsuccessful.

2. The date by which Winstead must file reply briefs relating to the Winstead Motions is extended until 20 days after the Plaintiff files his answering briefs to the Winstead Motions.

BY THE COURT

\_\_\_\_\_  
Honorable Mary F. Walrath  
Chief U.S. Bankruptcy Court Judge

<sup>2</sup> Capitalized terms shall have the same meanings ascribed to them in the Stipulation.